

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

MEETING DATE: 5/16/06

DIVISION: COUNTY ADMINISTRATOR

BULK ITEM: YES

DEPARTMENT: AIRPORTS

STAFF CONTACT PERSON: Peter Horton

AGENDA ITEM WORDING: Approval of URS Purchase Service order for Airport Revenue Bond Report, Phase II, for the Key West International Airport.

ITEM BACKGROUND: Tasks are to update information contained in the Report of the Airport Consultant, 2006 Airport Revenue Bonds.

PREVIOUS RELEVANT BOCC ACTION: Approval of PSO for Terminal Bond Issuance, June 15, 2005.

CONTRACT/AGREEMENT CHANGES: New agreement

STAFF RECOMMENDATION: Approval

TOTAL COST: \$69,500.00

BUDGETED: Yes

COST TO AIRPORT: None
COST TO PFC: ~ \$1,737.50
COST TO COUNTY: None

SOURCE OF FUNDS: FAA, FDOT, PFC, Revenue

REVENUE PRODUCING: No

AMOUNT PER MONTH /YEAR:

APPROVED BY: County Attorney X

OMB/Purchasing X

Risk Management X

AIRPORT DIRECTOR APPROVAL _____



Peter J. Horton

DOCUMENTATION: Included X

Not Required

AGENDA ITEM # _____

DISPOSITION: _____

/bev
APB

MONROE COUNTY BOARD OF COUNTY COMMISSIONERS

CONTRACT SUMMARY

Contract #

Contract with: URS

Effective Date: execution

Expiration Date: 300 days

Contract Purpose/Description: Airport Revenue Bond Report Phase II, for the Key West International Airport

Contract Manager: Bevette Moore
(name)

5195
(Ext.)

Airports - Stop # 5
(Department/ Stop)

for BOCC meeting on: 5/16/06

Agenda Deadline: 5/2/06

CONTRACT COSTS

Total Dollar Value of Contract: \$69,500.00

Current Year Portion: ~\$45,000.00

Budgeted? Yes

Account Codes: 404-630106-560-620-GAKA103

Grant: Yes – FAA & FDOT

County Match: PFC Revenue

ADDITIONAL COSTS

Estimated Ongoing Costs:
(not included in dollar value above)

For: .
(eg. maintenance, utilities, janitorial, salaries, etc.)

CONTRACT REVIEW

| | Date In | Changes Needed Yes No | Reviewer | Date Out |
|-------------------|---|-----------------------------|---------------------------------------|---|
| Airports Director | <u>5/2/06</u> | () (X) | <u>Peter Horton</u> Peter Horton | <u>5/2/06</u> |
| Risk Management | <u> </u> / <u> </u> / <u> </u> | () () | <u>Pending</u> for Risk Management | <u> </u> / <u> </u> / <u> </u> |
| O.M.B./Purchasing | <u> </u> / <u> </u> / <u> </u> | () () | <u>Pending</u> for OMB | <u> </u> / <u> </u> / <u> </u> |
| County Attorney | <u> </u> / <u> </u> / <u> </u> | () () | <u>Pending</u> County Attorney | <u> </u> / <u> </u> / <u> </u> |

Comments: _____

PURCHASE / SERVICE ORDER

FOR

MONROE COUNTY

To: URS

Purchase Service Order No. 05/06-24

Re: PSA Agreement, Dated: 1-1-02

Resolution

Project Name: Key West Int'l- Airport Revenue Bond Report (Phase II)

Description of Services: (See Attached Scope of Service)

Multiple of Direct Salaries

Lump Sum X

Reimbursable Expense

Days to Complete 300

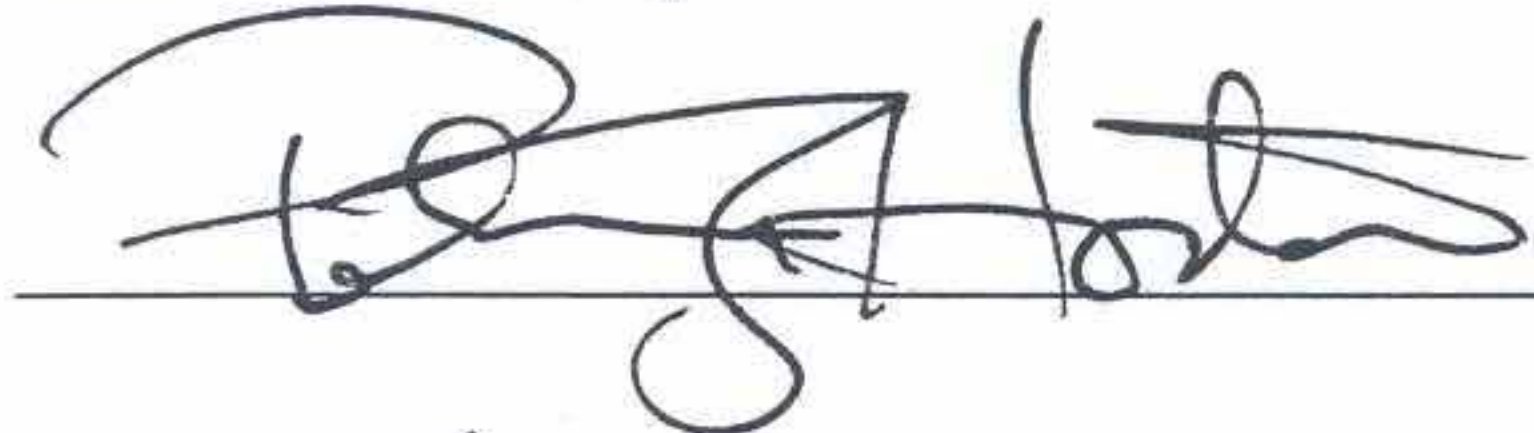
Fee this Service Order \$ 69,500.00

Payment for Services shall be in their entirety as per PSO.

Prepared by:

Recommended by:


Milford A. Reisert



Date: 4-25-06

Date: 4-28-06

Accepted by:

Approved by:


Carlos Garcia

Date: 4/25/06

Date:

**PHASE II SCOPE OF SERVICES
REPORT OF THE AIRPORT CONSULTANT
2006 Airport Revenue Bonds
Newton & Associates, Inc. – Sub-consultant**

TASK 1. Update Assessment of Air Service Area Economic Profile.

Review and update the demographic and economic characteristics of the Airport's Air Service Area. Update the analysis of data relevant to said air service demand. The update of this analysis is necessary for the development of the pro forma projection of demand for air service at the Airport necessary to the test of financial feasibility. The need for this update results from significant changes in the project schedule.

TASK 2. Update Assessment of Historical Air Service Demand and Forecast of Enplaned Passengers.

Update the analysis of historical passenger traffic and airline operational data at the Airport. Consider changes in updated review of historical aviation activity and how changes may affect forecast of passenger traffic for the purposes of the Report. The update of this analysis is necessary for the development of the pro forma projection of cash flows at the Airport necessary to the test of financial feasibility. The need for this update is the result of significant changes in the project schedule.

TASK 3. Reconciliation of Airport Financial Reports and County's Certified Annual Financial Reports (CAFR).

Significant additional work was required to prepare the historical airport revenue and expense trend analysis and reconciliation of airport operating financial reports and the County's Certified Annual Financial Reports (CAFR). Additional work in this regard was due to the reporting differences of the Airport and the County. The original scope relied upon the assumption that County CAFR revenue and expense accounts would mirror those of the Airport (with which we have become familiar over the past years performing airline rates and charges updates.). The original scope also assumed that the County would provide the annual revenue and expense data in a form suitable to conduct our analysis. This was not the case and therefore input, sorting and analysis of the five years of County general ledger, monthly transactions was required in order to perform the required analysis. Upon completion of the input and sorting, reconciliation of the differences between the general ledger compilation and the County's CAFR was required for each year of the Study Period.

06 04:03p p. 4

TASK 4. Update Financial Analysis - Add FY 2005.

As a result of significant changes in the Project schedule, the Study Period was revised to include FY 2005 (unaudited) financial information. It required input, sorting and analysis of the FY 2005 County general ledger, monthly transactions in order to update the required financial analysis.

TASK 5. Revise Plan of Finance.

The recent increase (\$2MM +/-) in project cost will require additional work to update the financial schedule and Report write ups, due diligence dealing with recent uncertainties in federal and state grant funding and general project coordination and communication among financing, design teams and Airport/County Management which have been outside of the original scope provided. In addition, recent material changes to the plan of finance proposed by the financing team will require a redevelopment of the project financing plan, funding and debt service associated schedules. Assist in bond rating agency presentation preparations and presentation by providing input on presentation content and fielding questions related to the Report of the Airport Consultant.

TASK 6. Update Forecast Airport Revenues, Expenses, Cash Flows and Coverage.

Update the detailed pro-forma forecast of Airport cash flows after the date of beneficial occupancy (DBO) of the 2006 Project taking into account debt service resulting from the Series 2006 Bonds. Update the pro-forma schedule of future applications of Revenue and calculate forecasted debt service coverage pursuant to the rate covenant in the proposed Bond Resolution. These updates are required as the result of significant changes in the project schedule and material changes to the plan of finance.

TASK 7. Update and Expand Sensitivity Analysis.

Because of the sensitivity of future grants-in-aid on the plan of finance, modifications to cash flows and debt service coverage assuming a reduction of certain grants-in-aid during the forecast period will be considered and reported on.